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September 16, 2005

VIA HAND DELIVERY

The Honorable Charles L.A. Terreni Executive Director South Carolina Public Service Commission Post Office drawer 11649 Columbia, SC 29211

RE:

Application of Ashley Oaks Water System, Inc. for Adjustments in Rates

and Charges for Water Charges
Docket No.: 2005-235-W

Dear Mr. Terreni:

Enclosed are the original and ten (10) copies of the Motion to Allow Applicant to Withdraw Application without Prejudice in the above-referenced docket.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it with the bearer of these documents. By copy of this letter, I am serving all parties of record and enclose my certificate of service to that effect.

With kind regards,

Sincerely,

Lyn F. Richards, CPA

Cc: Mr. Michael D. Shelley, Sr.

All parties of record

Enclosures

BEFORE

SOUTH CAROLINA BOCKET NO. 2005-235-W IN RE: Application of Ashley Oaks Water System, Inc. for Adjustments CERTIFICATE OF SERVICE In Rates and Charges for Water Charges COMMISSION OF COMMISSION

This is to certify that I have delivered one original and ten (10) copies of the **Motion to Allow Applicant to Withdraw Application Without Prejudice** by personally delivering said package to the physical address of the South Carolina Public Service Commission at:

101 Executive Center Drive Columbia, SC 29210

Lyn/F. Richards, CPA

September 16, 2005 Columbia, South Carolina

BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2005-235-W

IN RE:))
Application of Ashley Oaks Water System, Inc. for Adjustments In Rates and Charges for Water Charges))) MOTION TO ALLOW APPLICANT TO) WITHDRAW APPLICATION WITHOUT) PREJUDICE
))

NOW COMES Ashley Oaks Water System, Inc. (AOWS) and, pursuant to the laws of The South Carolina Public Service Commission, (the "Commission"), hereby moves to withdraw its Application for Adjustments in Rates and Charges for Water Charges ("Application") without prejudice to its right to re-file for such relief at any time. In support of this Motion, AOWS shows as follows:

On August 9, 2005 AOWS filed its Application for Adjustments in Rates and Charges for water service. The Commission made its First Continuing Data Request of AOWS on August 22, 2005.

AOWS has a need to withdraw its Application so that it will have additional time to consider its various options with regard to water provision to its customers. Currently, AOWS is in the process of exploring purchasing water from either the Town of Winnsboro or the City of Columbia. It has come to the attention of AOWS that any such contracts must be entered into with the approval of the Commission, and that there are provisions of law that may facilitate the application process if such contracts are executed.

AOWS has an immediate need for rate relief that is driven by increased water

inspection costs, previously sustained operational deficits, and the impact of inflation on fees set thirteen years ago. Consequently, AOWS will need to re-file an Application as soon as facts and circumstances are known. AOWS will need to re-file its Application within the next three to six months.

The Commission has previously granted other similarly-situation utilities the relief AOWS is requesting herein. For example, in Docket No. 1991-641-W/S, Carolina Water Service, Inc. ("CWS") moved to withdraw its application for Approval of New Schedule of Rates and Charges for Water and Sewer Service without prejudice to its right to re-file for ate relief at any time. CWS asserted that it wished to take additional time to evaluate the costs and benefits of several major projects, and to inform its customers as to those costs and benefits.

The Commission granted CWS motion in Order No. 1992-274 (attached) ruling that CWS was "not precluded by the previous filing of said Application and Rate Schedules from seeking rate relief as the Company deems appropriate, including the filing of an application for Approval of New Schedule of Rates and Charges for Water and Sewer Service before December 16, 1992" [which was 12 months after the date of the original filing]. Order No 921-274, p2-3.

§58-5-240(F) states:

After the date the schedule is filed with the Commission, no *further rate change request* under this section may be filed until twelve months have elapsed from the date of filing of the schedule [emphasis added].

This statutory provision is not inconsistent with the Commission's ruling in Order No. 92-274, since it only prohibits the utility from requesting a *further* (that is, an additional) rate increase immediately on the heals of the last completed rate proceeding. As demonstrated by Order No. 92-274, the provision does not prohibit a utility from reapplying for rate relief within a twelve-month period if it has voluntarily withdrawn the previous application.

S.C. Code Ann., §58-5-225(E) further supports AOWS motion. That 2004 statute states in relevant part:

A party may withdraw its petition, [or] application...from any Commission docket one time as a matter or fight, and

without prejudice provided that it does so prior to ... the date that the withdrawing party's direct testimony addressing such petition, application...is due to be filed with the Commission [emphasis added].

In this case, AOWS direct testimony is not due to be filed until a later date. Thus §58-5-225(E) makes it clear that AOWS may now withdraw its application for rate relief "without prejudice," including any time constraints on the re-filing of its application.

For the reasons set forth herein, AOWS requests an order from the Commission ruling that:

- 1. AOWS may withdraw its present Application and rate schedules without prejudice;
- 2. AOWS is not precluded by its filing of the present Application
 Approval of New Schedule of Rates and Charges for Water and Sewer
 Service as AOWS deems appropriate, including the filing of an
 application for rate relief before August 6, 2006.
- 3. And for such other and further relief as the Commission deems proper.

Respectfully submitted,

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Representative for Ashley Oaks Water System, Inc.

Columbia, SC September 16, 2005